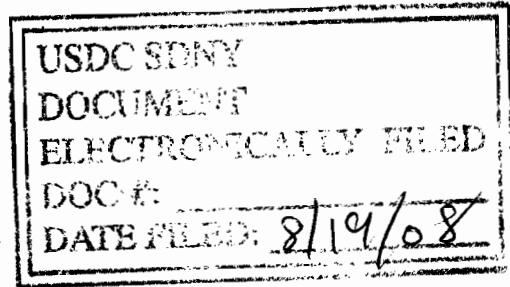


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Via United Lawyers Service

Honorable Alvin K. Hellerstein
United States District Court
Southern District of New York
500 Pearl Street, Room 1050
New York, New York 10007

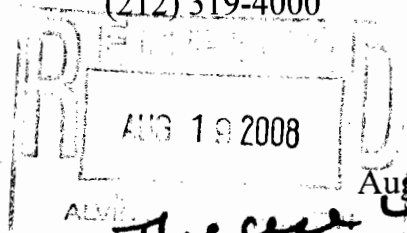
Re: Phillips-Van Heusen Corporation v. International Home Textiles, Inc.
and Salo Grosfeld
Case No. 07 Civ. 8169

Dear Judge Hellerstein:

We are attorneys for plaintiff, Phillips-Van Heusen Corporation ("PVH"). We write, regretfully, to request that the Court restore this matter to active status.

As Your Honor will recall, on or about April 22, 2008, the parties advised the Court that a settlement in principle had been reached, and that the parties were in the process of preparing a settlement agreement. Shortly thereafter, by endorsement dated May 1, 2008, the Court directed that the case be dismissed, subject to restoration by notice from either party. By letters dated June 24, 2008 and July 15, 2008, we updated the Court on the status of the settlement efforts. (Copies of said letters are attached for the Court's convenience).

As those letters set forth, the parties have long since agreed to the terms of the settlement agreement. Plaintiff has stood ready to execute the settlement agreement. Defendants, however, unilaterally conditioned their execution of the settlement agreement upon their receipt of a funding commitment from either of two banks to which they had applied. Based upon defendants' repeated assurances that they were actively working with these banks and that a response was close, PVH agreed, on several occasions, to defer its request for the restoration of this matter to the calendar. Now, almost four months after the



*The case is restored.
The court will see counsel for the
parties at conference to discuss status,
identify all remaining proceedings, and
establish a schedule to review trial
The conf. shall be held Sep. 5, 2008,
9:30 a.m.
8-19-08
Alvin K. Hellerstein*

Honorable Alvin K. Hellerstein
August 15, 2008
page 2

parties' agreement in principal, defendants' are still unwilling to execute the parties' settlement agreement. Accordingly, PVH is constrained to make the within request to restore the case to the active calendar and to permit it to take defendants' outstanding depositions that were scheduled to commence two days after the date that the parties' advised the Court of the settlement.

Respectfully submitted,



Arnold M. Weiss

AMW:im
Enclosure

c: Jeff Wolf, Esq. (by facsimile)
Ms. Hayley Werner (by facsimile)